

PENNANT-PUMA OILS LTD.

1130 Elveden House

Calgary, Alberta, Canada T2P 0Z3

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of Shareholders of Pennant-Puma Oils Ltd. (hereinafter called the "Company") will be held in the Angus Room, Calgary Convention Centre, Calgary, Alberta, Canada on Friday, the 28th day of May 1976, at the hour of 9:30 o'clock in the forenoon, for the following purposes, namely:

1. To receive the Report of the Directors, together with the Audited Financial Statements of the Company;
2. To elect Directors for the ensuing year;
3. To appoint auditors for the ensuing year;
4. To transact any other such business as may properly come before the meeting.

All shareholders of record as of the time of the Annual General Meeting or any adjournment thereof are entitled to attend and vote thereat, either in person or by proxy, the shares held by them.

DATED at the City of Calgary, in the Province of Alberta, this 10th day of May, 1976.

BY ORDER OF THE BOARD OF DIRECTORS
JOHN J. REDFERN, III
Secretary

- NOTES: (1) This Notice of Annual General Meeting of Shareholders is accompanied by a form of Proxy and an Information Circular.
- (2) Should it not be convenient for you to be present at the meeting, please sign and return by early mail the accompanying form of proxy in the envelope enclosed for that purpose, so that as many shares as possible may be represented.



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PENNANT-PUMA OILS LTD.

INFORMATION CIRCULAR

(The information given herein is as of April 9, 1976 unless otherwise stated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Pennant-Puma Oil Ltd. (hereinafter called the "Company") for use at the Annual General Meeting of the Shareholders of the Company to be held Friday, the 28th day of May 1976 at 9:30 o'clock in the forenoon, and at any adjournment or adjournments thereof, for the purposes, set forth in the accompanying Notice of Meeting. If you are not able to be present at the meeting, please sign and return the attached proxy in the addressed envelope enclosed for that purpose.

Revocability of Proxy

The shareholder executing the accompanying proxy instrument has the power to revoke it at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law the enclosed proxy instrument may be revoked by instrument in writing executed by the shareholder or by his attorney authorized in writing, or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited with the Registrar and Transfer Agent of the Company or at the head office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy instrument is to be used, or with the Chairman of such meeting on the day of the meeting or any adjournment thereof, and upon such deposit the proxy shall be revoked.

Solicitation of proxies

The enclosed proxy is solicited by the management of the Company. The solicitation will be made only by mail. The cost of solicitation will be paid by the Company.

Voting Shares and Principal Holders Thereof

On April 9, 1976 the Company has outstanding 2,420,800 common shares without nominal or par value, each carrying the right to one vote.

All the shareholders of record as of the close of business on the business day preceding the Annual General Meeting by one week or any adjournment thereof, are entitled to attend and vote thereat, either in person or by proxy, the shares held by them.

To the knowledge of the Directors and Senior Officers of the Company no person or company beneficially owns directly or indirectly more than ten percent (10%) of the voting rights attached to the equity shares of the Company except as follows:

Name of Shareholder	Number of Common Shares Beneficially Owned on April 9, 1976	Percentage of Share Ownership of the Company
(a) John J. Redfern, Jr.	801,467 (1)	33.11%
(b) Campbell Chibougamau Mines Ltd.	281,509	11.63%

NOTE: (1) Includes shares held by immediate family (except John J. Redfern, III), shares held by Flag-Redfern Oil Company and shares held in trust by John J. Redfern, III for the children of John J. Redfern, Jr. John J. Redfern, Jr. disclaims any beneficial ownership in the trusts set up for his children.

Election of Directors

The Articles of Association of the Company provide that the Board of Directors shall consist of not less than three and not more than nine Directors to be elected annually. The term of office of each Director expires at each annual meeting of the Company unless he resigns or his office comes vacant by death or other causes.

As the election of Directors will take place at this Annual General Meeting of the Company, management has nominated certain people listed below for the positions of Directors of the Company. Proxies in favour of management nominees will be voted for the following proposed nominees (or for substituted nominees in the event of contingencies not known at present) who will, subject to the Articles of Association of the Company, serve until the next Annual General Meeting of Shareholders or until their successors are elected or appointed in accordance with such Articles of Association. The nominees listed below have been Directors of the Company since the year indicated.

Nominees for Directors and present principal occupation	Company Office Held	Year First Elected or Appointed As Director (1)	Approximate Number of Common Shares of the Company Beneficially Owned Directly or Indirectly on April 9, 1976 (2)
John J. Redfern, Jr. President, Flag-Redfern Oil Company, Midland, Texas	Chairman of the Board	1966	202,320
Glenn S. Brant President, Pennant-Puma Oils Ltd., Calgary, Alberta	President	1970	72,176
John J. Christmann Independent Oil & Gas Operator, Lubbock, Texas	Vice President	1966	111
Arden R. Grover Independent Oil & Gas Operator, Midland, Texas		1972	26,457
Nathan L. Sandler President, N. L. Sandler & Co. Limited (Investment Dealer) Toronto, Ontario		1972	22,110
John J. Redfern, III Secretary-Treasurer, Flag-Redfern Oil Company, Midland, Texas	Secretary	1972	201,667
J. Ronald Woods Vice President, Research, N. L. Sandler & Co. Limited, Toronto, Ontario		1972	NIL
Charles L. McAlpine President, Campbell Chibougamau Mines Ltd., Toronto, Ontario		1975	1,966

NOTES: (1) Including year first elected or appointed as Director of the two predecessor companies, Puma Petroleums Ltd. and Pennant Oils Ltd.

(2) Includes shares held by nominee, immediate family (unless listed separately), controlled corporations and trusts.

The information as to the shares owned directly or indirectly by each nominee, not being within the knowledge of the Company, has been furnished by the nominee.

Remuneration of Directors and Officers

The aggregate direct remuneration paid by the Company to the Directors, Officers and the five highest paid employees of the Company (including officers and directors) during the fiscal year ended December 31, 1975 was \$132,518. No provision has been made for pension benefits.

Under the terms of an employee stock purchase incentive plan approved at the Annual General Meeting held in April, 1974, loans totalling \$48,535 were granted to persons while employed to finance the purchase of 27,450 treasury shares of the Company. The loans are interest free and are to be repaid in six annual installments commencing December 31, 1978. The shares so purchased are held as security for repayment of the loans.

The Company has outstanding loans to directors or senior officers (as defined by the Alberta Securities Act) and other employees, which loans were used to purchase the stated number of shares of the Company as follows:

	Number of Common Shares Purchased	Amount at 4½ %	Non-Interest Bearing
Glenn S. Brant	64,342	\$121,426	\$ 9,360
David J. Duncan	21,892	36,426	6,175
Kenneth M. Baher	7,700	—	14,312
John E. Thompson	2,500	—	8,375
Other Employees	2,750	—	7,063
	99,184	\$157,852	\$45,285

The loans evidenced by 4½% notes are repayable in installments commencing January 1, 1975. The Company also has loans bearing interest at 4½% outstanding to G. S. Brant Petroleums Ltd. (wholly owned by Glenn S. Brant) and Bell Rock Oil Ltd. (controlled by David J. Duncan) in the amounts of \$9,940 and \$6,626 respectively for the purpose of purchasing interests in oil and gas properties acquired by the Company prior to June 30, 1971. The property interests so acquired were sold to the Company on July 1, 1971 in exchange for shares and cash. The Board of Directors of the Company has deferred at the discretion of the Executive Committee the payment due January 1, 1975 and January 1, 1976 on all the above loans. The totals of the above loans are also the largest aggregate amounts of indebtedness by these parties to the Company since January 1, 1974.

Options

At April 9, 1976 options to purchase shares of Pennant-Puma Oils Ltd. were outstanding as follows:

Number of Common Shares	Option Price Per Share	Expiration Date	Price Range for 30 days preceding Date of Grant	Market Price April 9, 1976	Date of Grant
3,750	\$2.25	October 16, 1978	\$1.15-\$1.31	\$3.65	July 24, 1974
2,000	\$2.85	December 18, 1980	\$2.85-\$3.30	\$3.65	December 18, 1975

Options Exercised or Cancelled During 1975

During 1975 the following options were cancelled due to termination of employment:

Number of Shares	Option Price per Share
5,625	\$2.25
5,625	\$2.25

Options Exercised During 1975

Number of Shares	Option Price per Share
1,875	\$2.25
1,875	\$2.25
3,750	\$2.25

Appointment of Auditors

Thorne, Riddell & Co. or their predecessor, Riddell, Stead & Co., have been the auditors of the Company since June 22, 1973 being the amalgamation date of Pennant-Puma Oils Ltd. Prior to that time Riddell, Stead & Co. were the auditors of each of the two predecessor companies, being the Auditors of Puma Petroleum Ltd. from May 1, 1972 to June 22, 1973, and the auditors of Pennant Oils Ltd. from its incorporation on March 14, 1966 to June 22, 1973. It is proposed that Thorne, Riddell & Co. be appointed the Auditors of the Company at the Annual General Meeting.

Designation of Proxy

The persons named in the enclosed form of proxy are willing to serve as the proxy of shareholders desiring to appoint them. If a shareholder desires to appoint as his proxy a person other than those designated, he should strike out the names of the person designated in the form of proxy and insert the name of his representative in the space provided.

Voting of Shares Represented by a Management Proxy

The accompanying proxy confers a discretionary voting authority upon those persons designated therein. Unless otherwise specified, it is intended that the shares represented by all proxies received by the Company shall be voted in favour of:

1. The approval of the Report of Directors, the Financial Statements and Auditor's Reports.
2. The election as Directors of the Company of the persons designated in this Information Circular as nominees for election as Directors.
3. The appointment of Thorne, Riddell & Co. as the Auditors of the Company with authorization to the Board of Directors to fix the remuneration of the Auditors.

BY ORDER OF THE BOARD OF DIRECTORS

The undersigned hereby certifies that the information given in this Proxy Information Circular is true and complete in every respect to the best of my knowledge and belief.

DATED at the City of Calgary, in the Province of Alberta, this 10th day of May, 1976.

PENNANT-PUMA OILS LTD.
John J. Redfern, III
Secretary

